Modernisation of Durgapur Steel Plant

1200. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of STEEL be pleased to state:

(a) whether the recognised trade union in Durgapur Steel Plant has identified and brought out a detailed report on corrupt practices and inflated expenditure during modernisation work;

(b) whether the excessively inflated expenses have made Durgapur unviable even after production at rated capacity;

(c) if so, whether the Government are initiating an enquiry into the corruption charges levelled against the then management; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Steel Authority of India Limited (SAIL) has reported that the recognised trade union of Durgapur Steel Plant (Hindustan Steel Employees Union, affiliated to CITU) has brought out a brief appraisal of Durgapur Steel Plant and its performance visa-vis modernisation.

(b) In DSP modernisation project, there has been a cost over run of Rs. 2407 crore (provisional) over the estimated cost of Rs. 2668 crore approved in 1989, mainly due to monetary reasons i.e. foreign exchange variation, escalation, taxes & duties and interest during construction etc. The viability of the plant has been effected by the high incidence of interest and depreciation due to the investment on the modernisation project and also due to low net sales realisation in the prevailing sluggish market.

(c) and (d) Do not arise in view of above.

Utilisation of funds earmarked for Tribal Welfare

1201. SHRI NARENDRA MOHAN: Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a) whether it is a fact that funds earmarked for tribal welfare rarely reach them and this has encouraged Christian missionaries to indulge in wholesale conversion;

(b) if so, what are the reasons for this state of affairs of alleged siphoning off the funds meant for tribal welfare; and